This Mutual Referral Agreement (“Agreement”) is made this **[DATE]** (“Effective Date”) by and between **[YOU]** (“Party One”) and **[YOUR PARTNER]** (“Party Two”). Both Party One and Party Two may be referred to in this agreement collectively as “Parties” or individually as “Party.” In order to enhance their business opportunities and in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. **Purpose.** Each Party shall identify and introduce prospective clients to each other as is relevant in their individual retail operations. Each Party may choose to carry products from the other party. The nature of the relationship shall be considered a consignment basis.
2. **Qualified Referral.** A “qualified referral” is an identification of a prospective client made verbally by one Party to the prospective client. *[Tracking of qualified referrals is not required, but can be done to ensure an equitable relationship.]*
3. **Consignment.** Consignment rates shall be as follows:
	1. The consignee shall receive 25% of the product sale amount.
	2. The consignor shall receive 75% of the product sale amount.
	3. Sales of the product shall be reported to the other Party on a weekly basis.
	4. Payments for the product shall be made to the other Party on a weekly basis.
	5. It will be the responsibility of the consignor to replenish their product.
	6. Both the consignor and consignee shall maintain separate records for inventory purposes.
4. **No Warranties.** Neither party shall make promises or issue any warranty either expressed or implied pertaining to the products or services offered by the other Party unless authorized in writing by that Party to do so.
5. **Independent Contractor Status.** The relationship between the parties shall at all times be that of independent contractors. No employment, partnership, or joint venture relationship is formed by this referral agreement and at no time may either Party position itself as affiliated to the other Party, except as an independent referrer. In view of this independent relationship neither Party shall enter into any agreements on behalf of th other Party, shall make any warranty either expressed or implied on behalf of the other Party nor shall incur any expenses on behalf of the other Party.
6. **Non-Exclusivity.** This referral agreement does not grant exclusive rights to the Parties to act as referrer on behalf of the other Party. Parties shall have no rights under any other agreements entered into by either Party with third Parties.
7. **Confidentiality.** Both parties agree not to disclose any confidential information, lists of prospective customers, pricing, costs, materials to any third party. Either Party may conduct follow-up inquiries with its referred customers to confirm whether they purchased products from the other Party (if known) and/or to gather feedback about their experience with the other Party’s products and service.
8. **Termination.** Either Party may terminate this referral agreement at any time by giving the other party [DAYS] day prior written notice. Upon termination by either Party, all outstanding consignment fees due to a Party shall be settled in full within seven (7) days, for the entire contract term for any products sold by a consignee.
9. **Indemnification.** Each Party shall indemnify, defend, and hold the other Party (and any other relation to the other Party) harmless against any and all claims of whatsoever nature arising from misrepresentation, default, misconduct, failure to perform or any other act related to this agreement.
10. **Entire Agreement.** This agreement constitutes the whole agreement between the Parties and any modification must be in writing and signed by both Parties.
11. **Governing State.** The validity, effect, and construction of this Agreement shall be governed by the laws of the State of **[STATE]**.

Signatories duly warrant their authority to sign this Agreement.

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: **[FULL NAME]**Title: **[TITLE]**Date: **[DATE]**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: **[FULL NAME]**Title: **[TITLE]**Date: **[DATE]**